GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3124
ANSWERED ON:10.08.2001
NEXT GENERATION REFORMS
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have initiated work on drawing up the blue-print for the next generation reforms in the foreign investment arena, which may further liberalise sectors such as telecom, DTH and civil aviation, besides modifications in guidelines on dividend repatriation by MNC, subsidiaries;

(b) if so, whether the Reserve Bank of India has constituted a high power committee, which will review the whole lot of policy measures taken so far and recommend new policy measures; and

(c) if so, the time by which Reserve Bank of India is likely to submit its report?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a): As part of the ongoing reforms, Government have permitted FDI up to 20% in DTH broadcasting subject to licensing,security requirements and broadcasting code; FDI up to 100% in airports; and FDI upto 74% in ISP with gateways, radio paging and end-to-end bandwidth subject to licensing and security requirements.

The dividend balancing condition hitherto applicable in 22 notified consumer goods industries has been removed with effect from 14th July, 2000. In other words, dividends declared on or after this date are fully repatriable.

(b): No, Sir.

(c): Does not arise.